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March 13, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk/Executive Director Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Application Regarding the Acquisition of Progress Energy, Incorporated by Duke Energy Corporation and Merger of Progress Energy Carolinas, Incorporated and Duke Energy Carolinas, LLC Docket No. 2011-158-E

Dear Ms. Campbell:

The Amended Regulatory Conditions and Code of Conduct adopted by the Commission for Duke Energy Carolinas, LLC, Duke Energy Progress, LLC and Piedmont Natural Gas Company, Inc. (collectively, the "Companies") in Order No. 2016-772, and subsequently updated through the Companies' Notice of Amendments filed in this docket on October 9, 2018, requires the Companies to comply with a number of Regulatory Conditions. Regulatory Condition 5.13 requires that the Commission be notified when Duke Energy Corporation, Duke Energy Business Services, the Companies, or their Affiliates receive notice from the Federal Energy Regulatory Commission ("FERC") that an audit has been commenced.

Pursuant to Regulatory Condition 5.13, this letter informs the Commission that on March 6, 2020 the FERC notified Duke Energy Florida, LLC ("DEF"), an Affiliate of the Companies, that the Division of Audits and Accounting within the FERC Office of Enforcement was commencing an audit of DEF to evaluate DEF's compliance with the terms and conditions of its Open Access Transmission Tariff and the regulations regarding Open Access Same-time Information Systems prescribed in 18 C.F.R. Part 37.

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Additionally, pursuant to Regulatory Condition 5.13, the Companies will provide the initial audit report (if any) to the Office of Regulatory Staff and upon completion of the FERC audit, the Companies will file the final report (if any) with the Commission.

Sincerely, Rebeau Dhi

Rebecca J. Dulin

cc: Nanette Edwards, Office of Regulatory Staff

Dawn Hipp, Office of Regulatory Staff

Michael Seaman-Huynh, Office of Regulatory Staff

Jeffrey M. Nelson, Office of Regulatory Staff